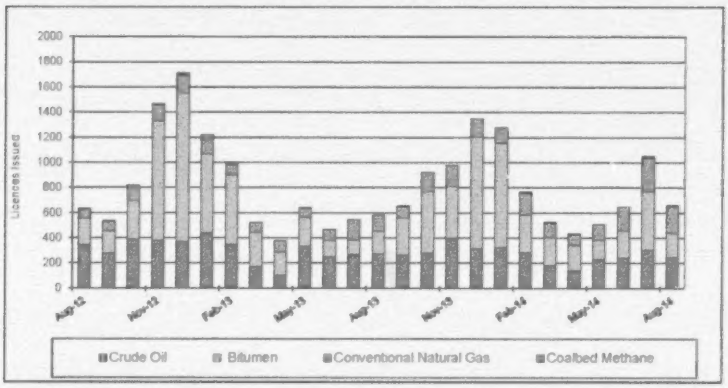
September 2014 Industry Activity Report

Monthly Well Licences



The Alberta Energy Regulator issued 660 well licenses in August, up 13% from the 582 issued in August 2013.

There were 244 licences issued for crude oil in August, down 11% from the 274 crude oil licences issued in August 2013.

87% of the crude oil licences issued in August were for horizontal wells, compared to 79% for August 2013.

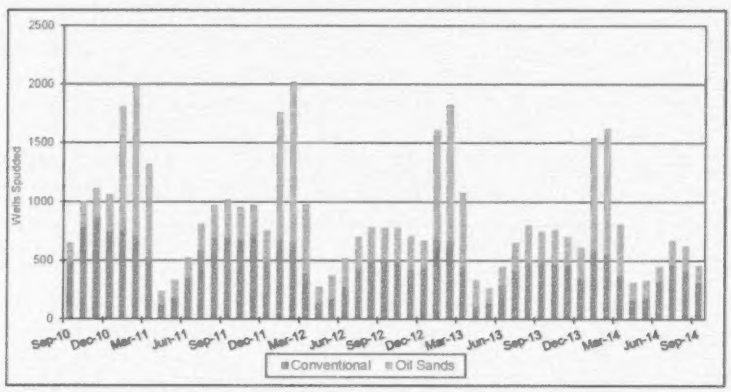
There were 220 natural gas well licenses (excluding CBM) issued in August 2014, 69% higher than the 130 licences reported last August.

75% of natural gas well licenses issued in August were for horizontal wells, down from 81% from the same period last year.

Licenced Wells	August Drilling Type	Total Licences	Per cent of Total Licences
Natural Gas	Horizontal	164	33%
	Vertical/Direct	56	
Coal Bed Methane	Horizontal	-	0%
	Vertical/Direct	3	
Crude Oil	Horizontal	212	37%
	Vertical/Direct	32	
Bitumen	Horizontal	45	29%
	Vertical/Direct	147	
	Evaluation	1	
Total		660	100%

Source: Alberta Energy Regulator

Alberta Wells Spudded (estimates)



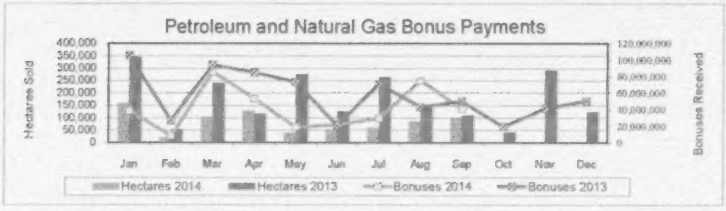
Operators spudded 461 wells in September, down 38% from September 2013 when there were 747 spuds listed.

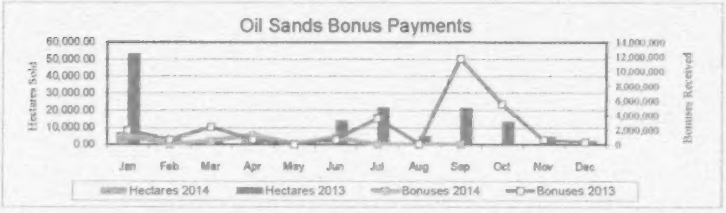
Over the first nine months, there were 12% fewer spuds than in 2013.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2010	Conventional	919	870	285	66	143	317	716	672	485	789	875	753	6,890
	Oil Sands	698	1008	308	97	73	105	179	206	166	215	238	312	3,605
2011	Conventional	764	714	530	120	179	356	589	691	704	681	733	487	6,548
	Oil Sands	1048	1289	788	121	155	169	223	276	315	274	241	270	5,169
2012	Conventional	684	658	392	144	181	279	440	493	504	486	422	442	5,125
	Oil Sands	1079	1364	588	132	194	239	264	292	280	295	284	229	5,240
2013	Conventional	682	675	452	108	133	299	417	486	485	477	468	348	5,030
	Oil Sands	934	1151	627	231	136	153	237	315	262	287	236	268	4,837
2014	Conventional	605	561	376	165	187	334	468	425	317				3,438
	Oil Sands	944	1067	434	152	146	115	203	206	144				3,411

Source: Alberta Energy Regulator

Petroleum & Natural Gas & Oil Sands Land Sales





Crown land sales earned $41 million in September, with an average price of $413.39 per hectare.

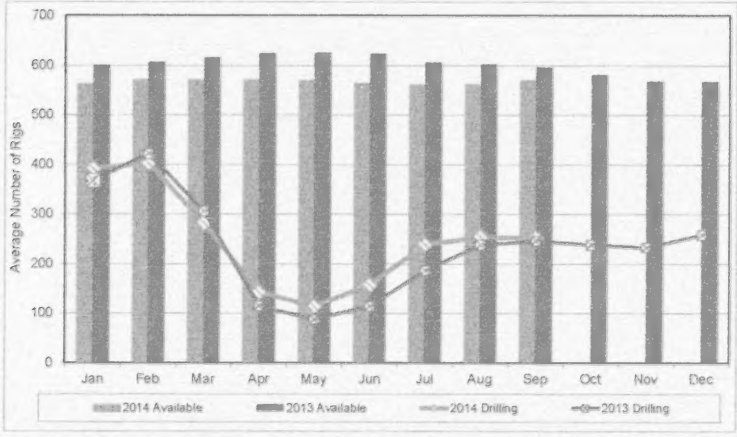
Thus far in 2014, average crown land prices were $485.07 per hectare, up from 2013 when the average crown price was $325.95 per hectare. Total revenue for the January-September period was $377.4 million, down 36% from last year's nine-month total of $590.3 million

Petroleum and Natural Gas Rights	Sep-14	Sep-13	YTD 2014	YTD 2013
Bonuses	$41,062,467.68	$49,732,397.68	$373,206,798.35	$568,589,811.19
Hectares	99332.20	109672.30	758215.76	1685104.08
Average Price per Hectare (Cdn$)	$413.39	$453.46	$492.22	$337.42

Oil Sands Rights	Sep-14	Sep-13	YTD 2014	YTD 2013
Bonuses		$11,726,621.32	$4,237,959.90	$21,735,547.06
Hectares		21504.00	19903.20	126014.32
Average Price per Hectare (Cdn$)		$545.32	$212.93	$172.48

Source: Alberta Energy

Alberta Rig Activity


Average Number of Rigs
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
2014 Available
2013 Available
2014 Drilling
2013 Drilling

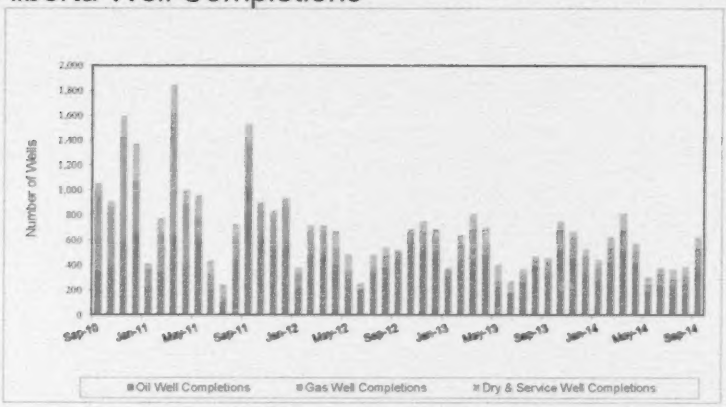
In September, Alberta oil and gas fields kept an average of 44% of the province's 569 available rigs at work, compared to 41% of the 596 available rigs working in September 2013.

The average number of rigs available for work during the January-September period was 567 (44% utilization), compared to 610 rigs for this period in 2013 (38% utilization).

Sept	Drilling	Down	Available	Rig Util. Sept-14	Rig Util. Sept-13
Alberta	253	316	569	44%	41%
Saskatchewan	74	69	143	52%	45%
British Columbia	46	22	68	68%	68%
Northwest Territories		1	1		
Manitoba	13	13	26	50%	34%
Canada	387	423	810	48%	44%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



The 628 reported well completions in September increased 37% from the 458 completions reported in September 2013.

Included in the nine month total of 4,522 well completions were 2,964 oil completions (down 8% from last year), and 901 gas well completions (up 36% from last year).

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2010	Oil Wells	253	144	397	198	400	126	131	168	357	402	999	676	4,251
	Gas Wells	324	308	632	418	462	117	110	135	638	461	847	403	4,855
	Dry & Service	62	79	141	6	51	41	26	43	59	46	169	294	1,017
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447	588	533	523	4,945
	Gas Wells	131	181	146	141	62	12	46	98	65	81	137	110	1,210
	Dry & Service	35	48	55	126	128	37	94	63	12	23	80	59	760
2013	Oil Wells	313	449	544	481	230	179	263	394	357	528	463	333	4,534
	Gas Wells	59	124	149	91	47	14	59	46	72	153	164	139	1,117
	Dry & Service	9	67	119	129	66	79	51	34	29	72	44	58	757
2014	Oil Wells	280	427	520	418	188	240	245	257	389				2,964
	Gas Wells	105	119	166	94	54	94	52	63	154				901
	Dry & Service	57	80	126	62	63	45	70	69	85				657

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com